

Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

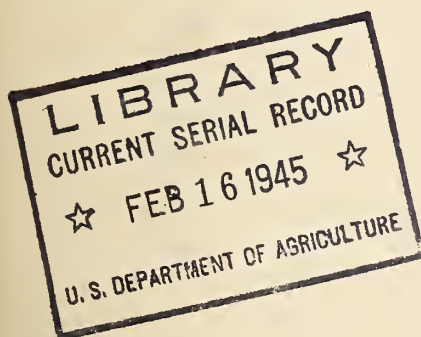
Foreign Crops and MARKETS



VOLUME 49

NUMBER 18

OCTOBER 30, 1944



IN THIS ISSUE

	Page
GRAINS, GRAIN PRODUCTS, AND FEEDS	
World Grain Crops; Ecuadoran	
Rice	194, 200
VEGETABLE OILS AND OILSEEDS	
Moroccan Olive Oil; Dominican	
Peanuts; Salvadoran Oilseeds	200
COTTON AND OTHER FIBERS	
Cotton in São Paulo and	
Southern Rhodesia	201
TOBACCO	
Uruguayan Tobacco	201
FRUITS, VEGETABLES, AND NUTS	
Canadian Potatoes; Dominican	
Bananas, Winter Vegetables	
in Mexico	196, 202
LIVESTOCK AND ANIMAL PRODUCTS	
British Wool Prices; Australian	
Hogs; Paraguayan Meat;	
Uruguayan Pastures; Argentine	
Dairy Production	198, 202

CUBAN CROPS SUFFER HURRICANE DAMAGE

Crops in the Province of Habana and in eastern Pinar del Rio and the extreme western part of Matanzas suffered severe damage from the October 18 hurricane. The affected area is important in the production of early vegetables. In addition, it produces substantial amounts of sugarcane, bananas, citrus fruit, and pineapples.

The early tomato crop, which should have been available for export to the United States in November and December, is reported as having been wiped out in Pinar del Rio Province and in the Guines area of Habana Province. Other export vegetable crops were also reported to be either badly damaged or destroyed. Some of the larger growers hope to replant for January, February, and March shipment.

The area hit by the storm contains from 10 to 12 percent of Cuba's total sugarcane acreage, but it was reported that the net loss to the 1945 crop of the whole country would not be significant. Damage suffered by sugar mills can be repaired in time for the next harvest.

Damage to next year's pineapple crop in western Cuba was estimated at from 40 to 50 percent. The banana and plantain crops in that part of the Island were completely destroyed.

Issued by the OFFICE OF FOREIGN AGRICULTURAL RELATIONS
UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.

WORLD GRAIN STOCKS DECLINE

Exportable surpluses of old-crop small grains on July 1, in the principal exporting countries, were significantly smaller in 1944 than in the preceding year, according to information available in the Office of Foreign Agricultural Relations. Total stocks on a tonnage basis declined over 23 percent, while surpluses available for export were down an estimated 14 percent. The smaller decline in exportable supplies resulted, in large part, from the sizable surplus of corn available this season in Argentina. Heavy feeding programs, as well as the smaller crops in 1943, largely account for the reduction in surpluses during the past season.

GRAINS: Estimated stocks and surplus in the principal exporting countries,
July 1, 1943 and 1944

ITEM	WHEAT	RYE	BARLEY	OATS	CORN	TOTAL
	<i>Million bushels</i>	<i>Million bushels</i>	<i>Million bushels</i>	<i>Million bushels</i>	<i>Million bushels</i>	<i>1,000 tons</i>
<u>Stocks</u>						
United States <u>a/</u>						
1943	622	47	121	243	818	49,672
1944	315	31	76	193	583	31,354
Canada <u>b/</u>						
1943	630	16	93	191	<u>c/</u>	24,827
1944	400	7	65	147	<u>c/</u>	16,255
Argentina						
1943	307	6	9	27	108	13,050
1944	285	19	23	49	310	19,098
Australia						
1943	204	<u>c/</u>	6	11	<u>c/</u>	6,490
1944	157	<u>c/</u>	3	8	<u>c/</u>	4,945
Total						
1943	1,763	69	229	472	926	94,039
1944	1,157	57	166	397	893	71,852
<u>Apparent exportable surplus d/</u>						
United States						
1943	<u>e/</u>	11	<u>e/</u>	<u>e/</u>	0	308
1944	65	5	<u>e/</u>	<u>e/</u>	<u>f/</u>	2,090
Canada <u>b/</u>						
1943	480	13	48	85	0	17,361
1944	250	4	20	40	0	8,772
Argentina						
1943	225	2	1	10	0	6,990
1944	200	15	15	30	175	12,160
Australia						
1943	150	0	1	0	0	4,525
1944	70	0	0	0	0	2,100
Total						
1943	855	26	50	95	0	29,184
1944	585	24	35	70	175	25,122

a/ Data for feed grains exclude stocks in interior mills and elevators.

b/ Adjusted to July 1 basis from August 1 stocks.

c/ Stocks from the small production considered to be negligible.

d/ Statistical surplus for export, after deducting minimum July 1 reserve stocks and estimated needs from carry-over, to fill domestic requirements.

e/ Net imports needed to meet domestic requirements, despite above-average carry-over stocks.

f/ A deficit supply position has been partly offset by imports from Argentina.

The bulk of the decline in 1943-44 occurred in North America, especially in the United States where stocks of grain were heavily depleted, despite sizable imports. The Canadian surplus of old-stock grain was also reduced sharply, through unusually heavy feeding demands and large exports, notably to the United States. Surpluses of old grain in Canada, adjusted to a July 1 basis, appear to be about half of their 1943 level. Supplementing old-crop surpluses, however, record 1944 wheat and corn harvests in North America will provide some additional surpluses. Some excess of other grains in Canada and Argentina should also be available for export or carry-over.

The supply situation appears most favorable in Argentina. It is the only country at the present time with surpluses of each of the five grains available for export. Stocks, however, are not of burdensome size, especially in comparison with the increasing world need for grain, notably feed grains. Wheat reserves are about 10 percent smaller than a year ago, while the surplus of other grains is indicated to be somewhat larger than in 1943. The corn situation, in particular, contrasts with the preceding year, when a very small crop was harvested, and there was virtually no carry-over at the end of the season.

Prospects for the current small-grain crops are variable, with the most favorable prospects reported for the Province of Buenos Aires. Shortage of rainfall over a period of 4 months, coupled with high temperatures in late September, had reduced prospects in other Provinces. Good rains received in Santa Fe, Córdoba, and Entre Ríos at the end of September, however, are said to have improved the outlook somewhat.

In Australia the wheat surplus has been reduced, mainly through increased exports and smaller crops. If the present unfavorable crop outlook continues, the coming wheat harvest would not even cover normal domestic requirements, and part of the reserve would be needed to supplement the small crop. The poor prospects are the result of a drought, said to be the most severe since that of 1914, together with a reduced acreage. The acreage sown was reported to be about half of the pre-war

average. Wheat is the only grain exported in any quantity from Australia.

As regards the situation for individual grains, the surplus of old-stock wheat on July 1, 1944, is estimated at around 585 million bushels in the four exporting countries. Canada is the largest holder of wheat reserves, though Argentina's surplus is not much smaller. The United States wheat crop, placed at the record figures of 1,109 million bushels, is about 100-150 million bushels above currently estimated domestic requirements. Canada's new crop, reported at 448 million, should add around 275 million bushels to her exportable supply.

While it is too early for a quantitative evaluation of Southern Hemisphere crops, the surplus in the Argentine is expected to be increased by from 50 to 75 million bushels. Australia, on the other hand, not only will be unable to export any significant quantity of wheat during the coming season but now seems likely to have to draw to a considerable extent on her carry-over supplies, in order to meet domestic requirements during the coming season.

This leaves the world demand almost entirely to be met from North America and Argentina. French North Africa has become an importer of wheat this season instead of an exporter to Europe, as in most years. Whether the surpluses of the Danube Basin will be available for European importing countries this season, as heretofore, is uncertain.

With respect to rye, little change in the total carry-over stocks or surpluses in the four countries is indicated. It is significant to note, however, that there has been a marked shift in the location of rye stocks and surpluses from North America to Argentina. The 1944 harvest of rye was reduced in both Canada and the United States and a somewhat smaller harvest is also expected in Argentina, though it is still too early for any reliable crop estimate. No other sources of surplus rye are indicated, so that during the current season world, and especially European, import needs will be largely dependent upon Argentine supplies.

A rather similar situation prevails for barley. The surplus in Canada will be largely needed to meet import requirements

in the United States, especially of malting quality, leaving Argentina as the only important source of supply. Some small surpluses are reported available in the Middle East, especially in Iraq, but not at commercial competitive prices. Australia usually produces some barley and frequently has a small surplus, but the severe drought this year has not only reduced crop prospects but has increased domestic feed needs.

In the case of oats, the United States continues to be on an import basis, which reduces to a considerable extent the potential surplus available from Canada for other areas. The 1944 harvest of oats in Canada will provide some surplus though less than in 1943. Should any important overseas demand for oats develop, Canada and Argentina would be the only important sources of supply.

Corn surpluses have been very limited during the past two seasons, largely as a result of the virtual crop failure in Argentina in 1943 and the record utilization in the United States. The harvest last

spring, however, again provided a substantial surplus available for export from Argentina, and the record 1944 outturn in the United States should more than cover domestic requirements during the current season, leaving some supplies available for export. The July 1 stocks of corn in the United States, however, were at a reduced level, and commercial supplies were greatly restricted. Imports of some corn were made from Argentina during the summer quarter, to alleviate the tight supply situation, especially in coastal areas.

Corn is now being planted in Argentina and South Africa, so that it is much too early for any indication about the crop outturn. The Union of South Africa, usually a corn exporter, has had no surplus available for export during the past two seasons. Whether any corn will be available for export from the Balkans is still problematic, as in the case of other grains. The availability of corn and other feedstuffs will be very important for any program of rehabilitation of livestock in Europe.

NEAR-RECORD POTATO CROP IN CANADA

Canada's 1944 potato crop, according to the first estimate of October 11, is 79.2 million bushels, as compared with 72.6 million bushels last year. It is the largest crop harvested since 1934 and near the record production of 1931. The acreage was increased very slightly to 534,900 acres, but the yield increased from 137 to 148 bushels per acre. The principal producing Provinces are Quebec, New Brunswick, and Ontario, in the order mentioned. The crop in Quebec is much more than last year, although the extent of the increase may be somewhat less than indicated in this first estimate. The crop in New Brunswick is considerably less than last year, but in Ontario it was about the same.

CANADA: Production of potatoes by Provinces,
average 1935-1939, annual 1940-1944

Average 1935-1939, and 1940-1944										
YEAR	PROVINCES									TOTAL CANADA
	PRINCE:	NOVA :	NEW :	:	:	MANI-	SASKAT-:	:	BRITISH:	
	EDWARD:	SCOTIA:	BRUNS-:	QUEBEC:	ONTARIO:	TOBA :	CHEWAN :	ALBERTA:	COLUM-:	
	ISLAND:	:	WICK :	:	:	:	:	:	BIA :	
Average -	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
1935-1939..	6,246:	3,162:	8,317:	18,942:	13,984:	3,339:	3,828:	3,273:	3,295:	64,386
1940	7,632:	3,855:	11,493:	21,875:	11,255:	2,973:	4,247:	3,103:	4,067:	70,500
1941	5,320:	3,145:	9,560:	19,125:	12,632:	5,250:	4,308:	3,250:	2,497:	65,087
1942	8,140:	4,160:	11,363:	18,055:	11,935:	3,963:	6,824:	4,513:	2,517:	71,470
1943	5,535:	2,300:	17,387:	18,760:	12,567:	4,023:	4,805:	3,588:	3,603:	72,568
1944	7,800:	5,083:	15,053:	23,928:	12,200:	3,085:	6,032:	4,162:	2,890:	79,233
	:	:	:	:	:	:	:	:	:	:

Official sources.

These production estimates include certified seed potatoes. Each year 30,000 acres or more are entered for certification, and around 20,000 to 30,000 acres are finally certified. This year only about 28,000 acres were entered for certification. The production of certified seed in 1944 is forecast at 4 million bushels. Last year 34,947 acres were entered for certification, 19,148 acres were certified, and the production was 3.5 million bushels. Prince Edward Island and New Brunswick are the principal growing regions for certified seed potatoes.

Over 1.2 million bushels of certified seed potatoes were contracted for export before being harvested, and orders continue for future deliveries.

Canadian supplies for domestic consumption will be exceptionally large, even in the face of substantial exports, if the near-record crop is as large as the first estimate indicates. Canadian consumption of potatoes is normally much higher per capita than in the United States. It is approximately 200 pounds, while it is around 130 pounds in the United States.

Most of Canada's potato production is consumed locally or within trucking distance. This is particularly true in Ontario, Quebec, and the Prairie Provinces. Ordinarily, less than 10 percent is shipped by rail to domestic markets, but under current wartime conditions the percentage moved by rail is somewhat more. This year, shipments of potatoes, including seed potatoes, from points in the Maritime Provinces are running about equal to shipments a year ago. A phenomenal proportion, however, has been going for export and relatively little thus far for the domestic markets.

Canadian imports of potatoes usually consist chiefly of new potatoes arriving just before the Canadian harvest. Imported new potatoes come from a large number of southern States and from California. Usually Virginia is an especially important source for Eastern Canada and California for British Columbia. The heavy importation of old potatoes from Maine last spring was abnormal. Carload deliveries of imported potatoes at 12 principal markets amounted

to 736 cars in 1941-42 and 1,382 cars in 1942-43, but fell to 169 cars in 1943-44.

An abnormally heavy export movement commenced last May and has continued to date. Soon after the unusually large importations from Maine ceased, the Maritime Provinces began shipping old potatoes to American buyers in the North Atlantic States. These large shipments resulted because of an impending shortage of supplies resulting from a serious drought, which had developed in the intermediate potato States.

The low-duty quota of 1 million bushels for entry into the United States during the year which ended September 14, 1944, was filled or so nearly filled by the end of August that the higher rate of duty was imposed until the new quota year began on September 15, 1944. By October 10, the 1944-45 low-tariff quota was already practically filled, and the higher rate of duty was again applied. The lower rate is 37.5 cents per 100 pounds for a quota of 1 million bushels, and the higher is 75 cents per 100 pounds for all imports above that amount. The higher rate will apply until September 15, 1945.

Exports of seed potatoes to the United States and to Latin American countries are ordinarily in excess of exports of table stock. This was again true in 1943-44. During recent years, exports of seed potatoes to the United States have been considerably less than the low-duty quota of 1.5 million bushels. From present indications the quota will be filled or nearly filled during 1944-45. In addition, a substantial demand is noted on the part of buyers from Cuba and South America.

Wholesale potato prices during the 1943-44 marketing season averaged a few cents per bushel lower than in the preceding year. Until April, monthly average prices at most markets were at or near ceiling levels and slightly higher than in the corresponding months of 1942-43. Beginning in April the relatively large stocks began to bear down prices at Montreal, Toronto, and the western markets. Excessive stocks were relieved somewhat by shipments from the Maritimes to Boston and northeastern United States markets in May and June. With the

arrival of the new crop early in July, old-potato prices declined very rapidly. During the summer season, supplies of new potatoes were so liberal that new potatoes sold well below the ceiling levels and were kept from going even lower by the timely disposal of surplus Ontario and British Columbia supplies in the United States. Average prices

for 75-pound bags at Montreal in September 1944 were \$1.32 against \$1.47 during the corresponding month of 1943. In Vancouver, British Columbia, monthly averages for September for 100-pound bags were \$2.40 against \$2.42 for the same month of 1943.

Based on reports from the American Legation, Ottawa, Canada.

REDUCTION IN BRITISH CONTROLLED WOOL PRICES AFFECTS AMERICAN BUYERS

Concurrent with the reduction in various war charges, such as war-risk insurance, the British Wool Control reduced prices of wool, tops, and noils for export from the United Kingdom, as well as prices to British manufacturers producing yarns and fabrics for export, as of October 1, 1944. This was the first reduction in the controlled prices since the war began. The prices of raw wool, tops, and noils, when sold for export in their existing state will be 1/39 above these prices. The reduction in price is greater for the medium and coarse grades, the bulk of which are produced in New Zealand, then for the finer grades produced principally in Australia and the Union of South Africa. The new prices are roughly 8 percent lower for the finer wools, 10 percent lower for medium wools, and 12 percent lower for coarser wools.

UNITED KINGDOM: Controlled ceiling price per pound of specified types of colonial raw wools, clean, scoured basis, October 1, 1944, with comparisons

DESCRIPTION	: AVERAGE :		WAR-CONTROLLED CEILING PRICE						
	: PRICE, :	: TAKE- :	ISSUE PRICE TO BRITISH MANUFACTURER						
	: LONDON :	: SEPT. 5, :	OVER :						
	: AUCTIONS: 1939 :	: PRICE :	OCT. 23, : MAR. 1, : SEPT. 13, : JULY 1, : OCT. 1,					:	
	: JULY 26, :	: a/ :	: OCT. 23, :	1939 :	1940 :	1940 :	1942 :	1944	
	: 1939 :	: 1939 :	b/ :	c/ :	c/ :	c/ :	d/ :	d/	
	: Cents :	: Cents :	: Cents :	: Cents :	: Cents :	: Cents :	: Cents :	: Cents	
Combing types -	:	:	:	:	:	:	:	:	
64's warp	:	36.0	39.3	53.0	57.0	59.7	71.4	65.6	
56's super	:	28.8	31.3	43.0	49.9	52.1	62.6	57.6	
48's average (carded)	:	24.6	26.7	36.8	39.0	40.8	48.8	42.9	
48's hog (yearling lamb) ..	:	25.4	27.6	37.2	40.2	42.4	50.8	44.5	
44's prepared	:	22.9	25.1	34.2	36.9	38.7	46.2	40.8	
	:	:	:	:	:	:	:	:	
Clothing types -	:	:	:	:	:	:	:	:	
Australian fleece 70's ...	40.0	38.1	39.7	43.0	59.5	62.2	74.8	68.9	
Australian locks 60's/64's:	28.3	25.0	26.3	28.0	41.1	42.9	51.3	47.1	
Australian skin wool 64's :	38.5	38.1	39.7	43.0	57.8	60.5	72.7	66.8	
Cape 64's/70's shorts	34.1	29.2	30.5	33.0	47.8	50.1	60.1	55.5	
New Zealand second pieces :	:	:	:	:	:	:	:	:	
50's/56's	28.3	22.9	24.2	25.9	38.6	40.3	48.3	43.3	
New Zealand slipped lambs' :	:	:	:	:	:	:	:	:	
50's/56's	29.8	26.7	28.0	30.1	41.9	43.7	52.5	47.1	
	:	:	:	:	:	:	:	:	

Official sources. Converted at current rates of exchange in 1939 and at official rate for later years.

a/ Control of Wool Order SR&O No. 1100, September 5, 1939.

b/ Delivered at Bradford or any other consumption center.

c/ Price at which wool will be issued to the domestic industry.

d/ Price at which wool will be issued to the manufacturer producing for export.

These lower prices will be reflected to some extent in the prices the United States and other Allied and neutral countries will pay for wool from Australia, New Zealand, and the Union of South Africa, as the United Kingdom purchased the entire exportable surplus of these countries at the beginning of the war for the duration and one year thereafter.

The flat price which the British Government agreed to pay for Australian wool in September 1939 was 17.8 cents per pound, greasy basis, and the same price was paid for the South African clip purchased the next season. The price paid for New Zealand wool was 16.2 cents per pound. The British Government reserved the right to sell its purchases in world markets, and each Dominion shares equally with the United Kingdom in any profit accruing from the sale of its wool outside the United Kingdom.

At the very beginning of the war, on September 5, 1939, the United Kingdom set a ceiling price on all wool located in that country, above which no sales could be made; and at the same time, exports were prohibited. These prices for colonial wools were slightly under the prices at which wool had been selling at the London auction sales in July.

Shortly thereafter, effective October 23, 1939, the Wool Control took over all stocks in the United Kingdom at maximum "take-over" prices, which were from 1 to 3 cents a pound higher, depending on grade, than those set on September 5. At the same time, so-called maximum "issue prices" were established, at which wool could be sold by the Control to the British manufacturer. The price of wool, tops, and noils for export in their existing state was 2.5 percent higher than the price charged British manufacturers for similar wools.

The issue prices to British manufacturers were again increased on March 1, 1940, and on September 13, 1940. These prices still remain in effect for British manufacturers producing for the home trade, but the price to manufacturers producing for the export trade and the price for wool, tops, and noils exported was raised as of July 1,

1942, when the Wool Control granted an increase of 15 percent in the price paid for the exportable surplus of wool from Australia, New Zealand, and the Union of South Africa to cover increased costs of production.

The United States wool producers and importers were affected by this increase in price in July 1942, as large imports of Australian wool were being made at that time. As a reflection of the increase in the British price, export prices for Australian wools sold to the American buyer were increased 12 to 14 percent, depending on grade, above the 1941-42 prices, and this increase brought the Boston market price for Australian fine wools more in line with selling prices for domestic wool of similar quality.

Selling prices on Australian wools imported into the United States, however, were lowered as of December 3, 1942, as a result of the decision of the British authorities to allow a discount of 6.5 percent on the export price. This discount also applied to South African and New Zealand wools.

No other change had been made in the export price of British Empire wools until recently, when the Central Wool Committee of Australia lowered the price to American buyers by increasing the discount. As from October 2, the discount on 56's/50's (3/8 and 1/4 Blood, predominantly 3/8) was increased from 6.5 to 8.5 percent; that on 50's/56's (1/4 Blood and 3/8 Blood, predominantly 1/4 Blood) from 6.5 to 9.5; and that on 50's or lower (1/4 Blood and lower) from 6.5 to 12.5 percent.

These discounts apply mainly to wool from New Zealand, which produces the bulk of these grades, and further increase the price advantage that these wools already have over domestic wools of similar grades, which was approximately 5 to 6 cents a pound on 3/8 Blood (56's) in the Boston market. The spread between the prices of domestic and foreign fine wools on the Boston market has been greater than the spread between domestic and foreign medium wools.

Esther H. Johnson

LATE COMMODITY DEVELOPMENTS

ECUADORAN RICE EXPORTS INCREASE

Ecuador resumed relatively heavy rice exports in July and August following light shipments during the 2 preceding months. Exports in August were unofficially reported to exceed 20 million pounds, with the total during January-August amounting to 88 million compared with 56 million during the corresponding period a year earlier.

Cuba, Panama, Venezuela, and Costa Rica continued to be important markets for Ecuadoran rice. The demand in Cuba continued active, but exporters complained that the price c.i.f. Habana left small margin for profit. Venezuela discontinued issuing licenses to import rice in August, but it was expected that licenses would again be authorized in November.

ECUADOR: Rice exports by country, January-July 1944, with comparisons

COUNTRY OF DESTINATION	JANUARY-JULY			1943 TOTAL
	1944	1943	1943	
	: Million: pounds	: Million: pounds	: Million: pounds	
Cuba	42	: 39	: 81	
Peru	19	: 11	: 23	
Venezuela	4	: 0	: 0	
Others	3	: 2	: 2	
Total	68	: 52	: 106	

Compiled from official statistics.

The increased exports this year are attributed to the large carry-over from last year's record crop, rather than to increased production this year. The 1944 crop is estimated to be about 5.4 million bushels (160 million pounds milled) compared with the production of 7.6 million bushels (222 million pounds) a year ago.

The large stock pile at the beginning of 1944 was the result of Government regulation of rice exports last year, but now the only restriction with regard to shipments is that an amount equal to 40 percent of the total rice exported be delivered to the National Development Bank for domestic con-

sumption. The decree authorizing free exportation of rice, with the provision for domestic requirements, was passed on June 22, 1944.

VEGETABLE OILS AND OILSEEDS

POOR PROSPECT FOR MOROCCAN OLIVE-OIL PRODUCTION

Olive oil production in French Morocco is expected to be low in 1944-45. Unfavorable weather conditions and lack of proper care for the trees have resulted in a poor crop of olives.

There are about 7.5 million olive trees in Morocco and oil production averages about 16,000 short tons, ranging between 9,000 and 24,000 tons annually. The bulk of it is exported normally, because the Arabs prefer the lower-priced, milder-tasting peanut oil imported from West Africa. No exports have been permitted since the Protectorate was liberated, however, because of the insufficient supplies of peanut or other vegetable oils normally imported.

DOMINICAN REPUBLIC ENCOURAGES PEANUT PRODUCTION

The Government of the Dominican Republic has enacted special legislation to stimulate the production of peanuts and has integrated the production with land distribution and colonization plans, with a view toward establishing peanut oil and cake in its export trade.

A peanut-oil factory, the Sociedad Industrial Dominicana, is encouraging production by the free distribution of seeds and the providing of free transportation of peanuts to the crushing plant. The capacity of this plant is about 12 million pounds of peanut oil per annum; however, this year's production is not expected to be more than one-third of capacity. The 1943 outturn was only 2.6 million pounds compared with 4.8 million in 1942. Exports during the 2 years averaged 139,000 pounds.

Peanut oil is used as a lard substitute in the Dominican Republic, and when domestic production is sufficient in quantity, no further importation of lard will be necessary.

EL SALVADOR INCREASES OILSEED CRUSHING FACILITIES

A new vegetable-oilseed crushing establishment began operations in San Miguel, El Salvador, during August 1944. This plant, in addition to one already established in San Salvador, brings the country's oilseed-crushing capacity up to 10,000 short tons per year, which is more than double the present supply. Cottonseed is the principal source, although peanuts and sesame seed are pressed when available. Very little lard is consumed, because of the great demand for edible vegetable oil.

COTTON AND OTHER FIBERS

SÃO PAULO COTTON PLANTING DELAYED

Cotton planting in the State of São Paulo, Brazil's largest cotton-producing area, has been delayed well past normal planting time by a drought of unusual proportions. Rain in the principal agricultural zones of the State is much below normal, affecting not only cotton planting, but the coffee, cereal, and pasture crops.

Normally, rains are fairly light during the winter months of May through August, with the spring rains usually beginning late in August or in September. So far this year adequate rains have not yet fallen, hindering farmers in the preparation of their fields for planting. In many important cotton areas, no rain has fallen since last March or April.

What effect this unusual weather will have on the coming crop is unknown. With the recent decree increasing the loan rate, it was expected that Brazilian cotton farmers would plant more land to cotton than ever before, regardless of the provision that an area equivalent to at least 20 percent of the cotton lands should be planted to food crops.

SOUTHERN RHODESIAN COTTON PRICES INCREASED

The Ministry of Agriculture and Lands of Southern Rhodesia recently announced an increase in the cotton prices guaranteed to producers for lint harvested in the season 1944-45. In connection with the increase in prices, the Cotton Research Board of the Ministry stated that it was desirable to increase production of cotton by about 50 percent, in order that Rhodesian spinning mills might be adequately supplied with raw cotton.

For top-grade lint cotton, roughly equivalent to Strict Good Middling, good color, good 1-1/8-inch staple, the price was raised from 9 to 12 pence, or from about 15 to 20 cents per pound. Average-grade lint, about equal to Strict Middling, good color, 1-1/8-inch staple, was advanced from 8-1/4 to 11 pence, or from about 14 to 18 cents. The lowest accepted grade, which is unclassified, was raised from 6 to 7 pence, or from about 10 to 12 cents.

The Rhodesian Government initiated the guaranteed-price arrangement in 1941, in order to stimulate interest in production. In pre-war years, Southern Rhodesian cotton production rarely ever amounted to more than 500 bales (of 478 pounds). With governmental stimulus, however, production has approximately tripled.

TOBACCO

URUGUAY'S TOBACCO PRODUCTION AND CONSUMPTION MAINTAINED

Uruguay's tobacco production and consumption have been maintained at about pre-war levels, although imports have been lower, and stocks have declined appreciably. The country's 1943-44 tobacco harvest is officially estimated at 1,177,000 pounds from 1,236 acres, as compared with the crop of 1,014,000 pounds from 1,127 acres in 1942-43. Average production for the 5 years 1937-38 through 1941-42 was 1,182,000 pounds from 1,426 acres. Most of the production is centered in the Department of Canelones and consists of low-quality dark air- and sun-cured types for use as cigar filler or

for blending with imported leaf in the manufacture of tobacco for "roll-your-own" cigarettes.

The country is dependent upon foreign supplies for about 80 percent of its tobacco requirements. Total imports of leaf and semiprocessed twist, or rolled tobacco, in 1943 amounted to only about 3.3 million pounds, and, as in past years, were composed chiefly of dark types from Brazil and Paraguay. Other sources of supply included Cuba and the United States. Average annual imports of leaf and twist during the 5 years, 1937-1941, amounted to more than 5 million pounds. Uruguay's imports of tobacco products are not significant, although approximately 60,000 pounds of cigarettes, mostly of United States origin, are imported annually.

During the past few years, consumption of tobacco in Uruguay has remained fairly constant, although there has been a slight rise in the use of ready-made cigarettes, which was offset by a decline in consumption of cigars. Most of the country's consumption of tobacco, however, consists of "roll-your-own" cigarettes made of blended native and imported leaf. Consumption of tobacco in 1943 was at about the pre-war level, totaling 6.1 million pounds, as compared with 6.0 million pounds in 1942, and indications are that 1944 consumption will approximate that of 1943. The continued high level of consumption, with no increase in production and a decline in imports, has reduced stocks. In June 1944, supplies were sufficient for only about one-quarter year's consumption requirements, as compared with a full year's supply in June 1942.

FRUITS, VEGETABLES, AND NUTS

DOMINICAN REPUBLIC INCREASES BANANA PLANTINGS

During 1943, one of the large banana companies obtained a concession from the Dominican Government for the production of bananas. This concession authorizes the planting of a maximum of 75,000 acres. It is estimated that approximately 1,000 acres will have been planted by the end of 1944.

A sharp increase in plantings is expected to take place in the coming year.

During the first 6 months of this year, banana exports were on a reduced level. A drought in the early months of 1944 reduced supplies of native grains and brought an increased consumption of bananas. Also, shipping difficulties have been experienced.

SMALLER PLANTINGS OF WINTER VEGETABLES EXPECTED IN MEXICO

Present indications are that winter vegetables produced in the States of Sonora and Sinaloa in northwestern Mexico will be on a slightly smaller scale than during the 1943-44 season. Tomato acreage is expected to be in the neighborhood of 33,000 acres, which is below that of the previous season of approximately 44,000 acres. Pepper acreage will probably run close to last season, or about 2,300 acres. Green peas grown in Sonora are expected to be produced on a reduced scale from that of last year. Light plantings of about 500 acres will be made in Sinaloa.

Transplanting of tomato seedlings to fields is now taking place. It is estimated that 1,500 acres will be planted to tomatoes in the Yaqui Valley, 1,300 acres in the Guaymas Valley, and 11,000 acres in the Mayo Valley, which makes a total of 13,800 acres in the State of Sonora. This constitutes a substantial increase over the 9,700 acres planted during 1943-44. A total of 19,200 acres probably will be planted in Sinaloa, which is a sharp reduction from the 34,500 acres in production last season.

LIVESTOCK AND ANIMAL PRODUCTS

AUSTRALIAN HOG NUMBERS RECOVERING

Australian farmers have been building up their hog numbers since the 20-percent reduction that occurred during 1941 as the result of a break in prices brought about by frequent changes in export requirements, official discouragement of the industry, high prices for grain and mill offal, labor shortages, and drought in the dairy areas

of eastern Australia. Numbers fell from 1,797,000, reported in January 1941, to 1,476,000 at the beginning of 1942, but in the past 2 years most of the decrease has been made up, as numbers reached 1,741,000 in the early part of 1944.

Pork production has been insufficient to meet the heavy wartime requirements. Slaughter was large in 1941 and early 1942, when hogs were being liquidated, but in the past 2 years it has been relatively small, especially in late 1943 and early 1944. An increase is forecast for the 1944 total. Australia has been called on to supply the armed forces in the Pacific with a sizable quantity of meat, and to do this it has been obliged to limit domestic consumption of all meats by rationing.

There has been a substantial increase in the production of bacon and a corresponding decrease in fresh pork. Much of the bacon has been going to the armed forces, while supplies for civilians, although not equal to the demand, are larger now than those available during the latter half of 1943.

AUSTRALIA: Hog numbers and slaughter and production and consumption of pork, 1944 with comparisons

	HOGS		PORK	
YEAR :	NUMBER :	SLAUGHTER :	PRO- :	CON- b/
:	JAN. 1 :	a/ :	DUCTION :	SUMPTION
:	Thou- :	Thou- :	Million :	Million
:	sands :	sands :	pounds :	pounds
1939 ..	1,455 :	2,334 :	202 :	121
1941 ..	1,797 :	2,625 :	227 :	187
1942 ..	1,476 :	2,071 :	175 :c/	171
1943 ..	1,562 :	1,802 :	155 :c/	140
1944 ..	d/1,741 :	- :	- :	-

Official sources. a/ Year beginning July 1.
b/ Includes bacon and hams used for canning.
c/ Includes consumption by armed forces.
d/ April 1. Comparable with January estimates, preceding years.

PRESENT OUTLOOK FOR PARAGUAYAN MEAT-PACKING INDUSTRY DISMAL

Reports from Paraguay indicate that the immediate-future outlook for the meat industry is discouraging, primarily because of the drought now prevailing. All of the large packing companies were forced to cease

operations by the middle of October, not to reopen until January-February, 1945.

It is expected that the drought will have an unfavorable effect on the meat-packing industry when it resumes operation in 1945, because cattle then will be too thin for slaughter. The packing plants in the new season, therefore, will have to rely on imports from Argentina for at least 50 percent of their slaughter supplies.

Cattle slaughter in packing plants in 1944 is estimated at 149,000 head compared with 151,000 in 1943. Slaughter in these plants represented about one-third of the combined slaughter for export and domestic consumption in the 4 years, 1940-1943. The other two-thirds was in the numerous abattoirs scattered throughout the municipality of Asuncion, its suburbs, and the outlying towns, for domestic consumption. The three large packing companies have been actively engaged in the production of canned meats and meat concentrates for export and for the allied armed forces.

Large stocks of canned meats were reported on hand in the packing plants in September, as it could not be shipped for lack of transportation facilities. River transportation on the Paraná, which takes Paraguayan produce down to Buenos Aires where it can be shipped on ocean-bound ships has been practically paralyzed because of the low water level of the river.

RAINS IMPROVE PASTURES IN URUGUAY

During September, pastures in Uruguay benefited from abundant and well-distributed rain in all parts of the country. Fears of a recurrence of the disastrous drought of 1942-43 have now been dispelled, with pastures green once more and natural water supplies replenished for the beginning of summer.

The August receipts at stockyards in Montevideo (Tablada) were very small, only 28,000 head, or about half the number received in August last year. September receipts were even smaller. Cattle slaughter for the first 8 months of the year totaled only 593,000 compared with 1,022,023 a year earlier.

ARGENTINE DAIRY-PRODUCTION CONDITIONS

The winter drought in parts of Argentina, the most severe since that of 1916, came to an end on September 30, Pastures have been extremely poor in Santa Fé and Córdoba, the main butter-producing districts. Under these conditions, the production of butter in this area in September, the opening month of the new season, was probably less than in August, when it was down almost to current consumption levels. With the occurrence of rains the last of September, however, milk flow can be expected to increase sharply.

Despite the serious decline in production in the last months of 1943-44, caused by unfavorable weather conditions, total output of butter for the year ended August 31 reached record levels. Total production for the current season was 113,000,000 pounds, an increase of 18,654,000 pounds over the production year ended August 31, 1943.

The output of cheese exceeded expectations, amounting to 156,000,000 pounds, and exceeded that in 1942-43 by 29,621,000 pounds. Casein production also continued to rise to new levels, with a seasonal output of 67,185,000 pounds, or 8,401,000 in excess of the quantity produced in 1942-43.

In late August, the sharp drop in butter production caused the Argentine Government to control the issuance of export permits for butter, pending the availability of more liberal supplies. Nevertheless, seasonal exports surpassed the record figure for 1940-41. Total exports of butter for 1943-44 amounted to 52,600,000 pounds, or almost double the exports in 1942-43.

Cheese exports also exceeded the high figure set in 1940-41. In the year just ended, cheese exports reached the record level of 31,142,000 pounds, an increase of 7,520,000 pounds over 1942-43 exports.

Casein exports, the largest in the history of the industry in Argentina, amounted to 82,529,000 pounds, or 47,932,000 pounds more than was exported in 1942-43.

UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF FOREIGN AGRICULTURAL RELATIONS
WASHINGTON, D. C.

OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, \$300

